

HOUSE BILL 2842

By Sargent

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 2, relative to income taxation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-2-104(e), is amended by adding the following as new subdivision (19):

(19) No person shall be assessed with the tax imposed by this chapter on income derived from any stock or bonds of any entity that is:

(A) Incorporated as provided in title 48, chapters 11-27, or formed as provided in title 48, chapters 201-249;

(B) An S corporation as defined by 26 U.S.C. § 1361; and

(C) Subject to regulation under title 45.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.